

The dependencies of Portugal are provided with banking-facilities by the National Ultramarine Bank (*Banco Nacional Ultramarino*), which was created by a royal decree of August 12, 1864, with a nominal capital of 12,000,000 milreis (\$12,-960,000), of which 3,600,000 milreis was actually subscribed. The field of operation of the bank, which was originally limited to a few of the colonies, was extended to all by a law of April 27, 1901, and the bank was required to establish branches at once in the many Portuguese establishments in the West Indies, Asia, and Africa. The capital was to be advanced to 5,000,000 milreis by February, 1903, and afterwards by successive stages to 12,000,000 milreis. The bank was given the exclusive privilege of issuing notes in the colonies, but this privilege was only until November 30, 1911. The limit of note issue is that of the original capital, 12,000,000 milreis, and the notes are of three types: large •denominations in pounds sterling (^5, ^"10, and ^"20); silver notes, from one milreis (\$1.08) up to 100 milreis (\$108); and copper notes of one and two milreis. The earnings, after setting aside fifteen per cent, for reserves and smaller items and a first dividend of eight per cent, for shareholders, are divided equally between the bank and the government. The share of the state, however, must not fall below the taxes prescribed on circulation, which are a quarter of one per cent, up to 3,000,000 milreis and one-tenth per cent, additional for each increase of issues by the amount of 500,000 milreis. The bank makes an advance to the state without interest of 1,200,000 milreis, to be employed only for the colonies, and performs gratuitously where it has branches all the operations of the colonial Treasury.¹

¹ Goumain-Cornille, 266-68.